Latest Evidence for the ROI of Worksite Wellness Programs: What Program Strategies Work the Best?

by
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- **Health risk appraisals (HRAs)**
- **Targeted high-risk and at-risk telephonic interventions**
- **Custom and "turn-key" population health management (PHM) programs**
- **Consumer health training and coaching**
- **Consultation/services in Health Cost Management (HCM)**

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"Leading the business of Wellness"

Introducing….

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Summex Health Management
Seattle, WA and Indianapolis, IN

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Agenda

- **Newly released study results**
- **Summarization and comparison of new data**
- **Implications for program design**
- **What factors determine a program's ROI?**
- **What strategies enhance the economic return associated with programming?**
- **What can be said about the economic return of worksite wellness programs?**

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Study Inclusion Criteria

- **Multi-component programming**
- **Workplace setting only**
- **Reasonably rigorous study design**
- **Original research results**
- **Examines economic variables**
- **In peer review journal**
- **Use comparison or control group**
- **Use statistical analysis**
- **Must be replicable approach**
- **At least 12 months in duration**

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New Studies

Primary Author (Company)	Journal (N)	Year Published	Economic Results
Hodges (City of North Little Rock)	AAOHN J (N = 900)	2004	29% average reduction in Workers' Comp cost 61.8% lower HC costs
Leutzinger (Union Pacific Railroad)	Managing Employee Health Benefits (N = 5,232)	1995	C/B ratio of 1:3.24
Maes (Brabantia)	American Journal of Public Health (N = 134)	1998	17.7% reduction in sick leave absenteeism
Maniscalco (BP Amoco Corp)	JOEM (N = 147)	1999	C/B ratio of 1:2.51
Proper (City of Enschede)	Occupational and Environmental	2004	20.3% reduction in sick leave

New Studies

Primary Author (Company)	Journal (N)	Year Published	Economic Results
Schultz (General Motors)	JOEM (N = 2,596)	2002	C/B ratio of 1:2.3 (STD and LTD days only)
Serxner (Chrysler)	JOEM (N = 13,048)	2003	Participation shows “dose related response” on medical costs (HRA)
Shimizu (Manufacturing Co.)	J UOEH (N = 1,029)	2003	35.5% reduction in sick leave absenteeism
Stave (GlaxoSmithKline)	JOEM (N = 2,200)	2003	C/B ratio of 1:6.13
Trudeau (Insurance Co.)	Journal of Behavioral Health Services & Research (N =	2002	2.4 greater behavioral health costs for participants

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Summary of Updated Findings

Study Parameter	Averages & Totals (N=42)	Averages & Totals (N=51)
Average study years	3.60	3.75
Observational years	151.4	191.3
Year Reported (median)	1992	1994
#of Study Subjects	328,318	370,558
#of Separate Controls	193,393	200,207
#of Prog Components	4.7	4.9
% Change in Sick Leave	-28.3% (19)	-27.8% (22)
% Change in HCs	-26.1% (23)	-28.7% (24)
% Change in DM/WC	-30.0% (4)	-33.5% (7)
C/B Ratio	1: 5.63 (16)	1:5.50 (20)

Source: Proof Positive: An Analysis of the Cost-Effectiveness of Wellness, 2005

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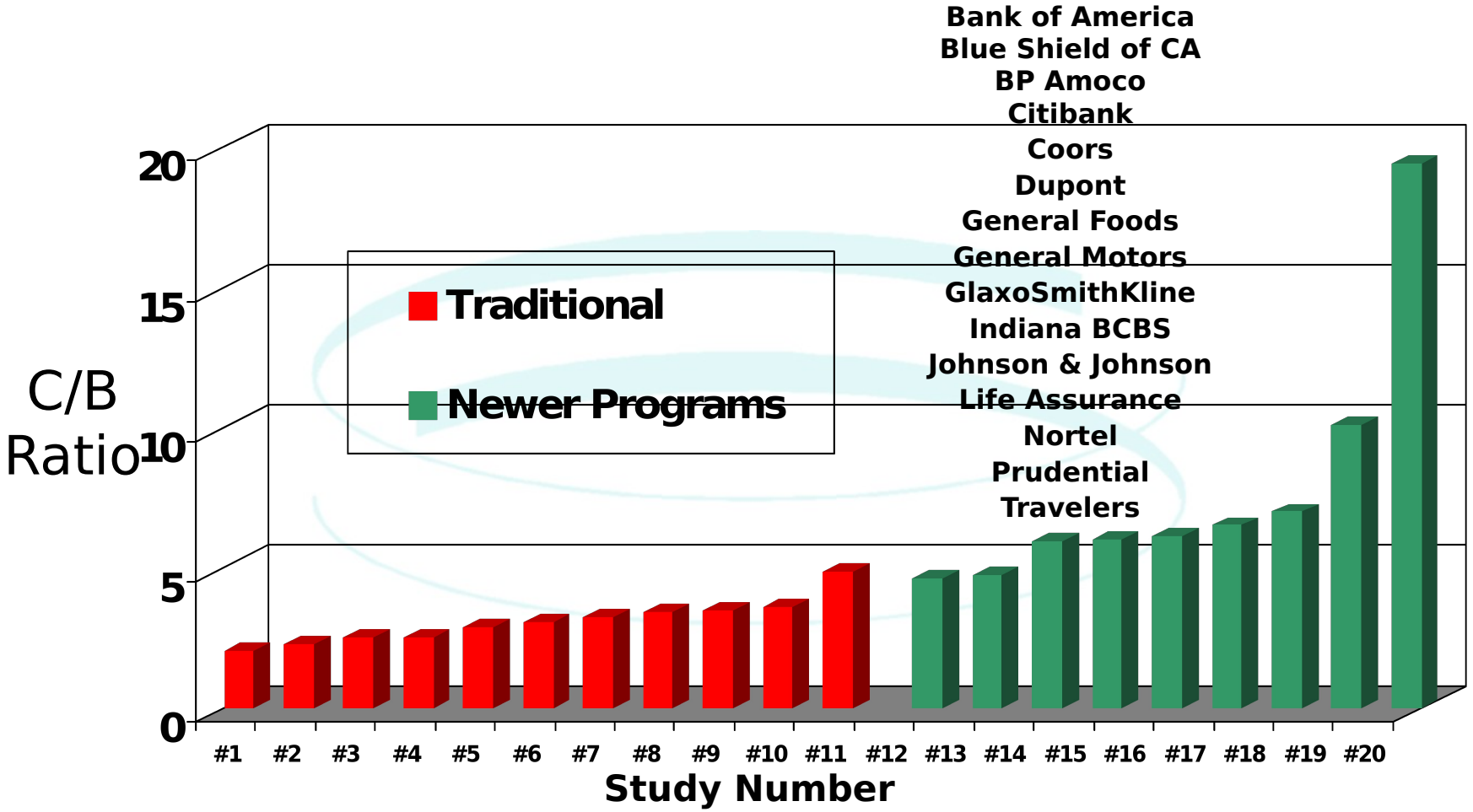
Cost/Benefit Study Results”



Source: Proof Positive: An Analysis of the Cost-Effectiveness of Wellness, 2005

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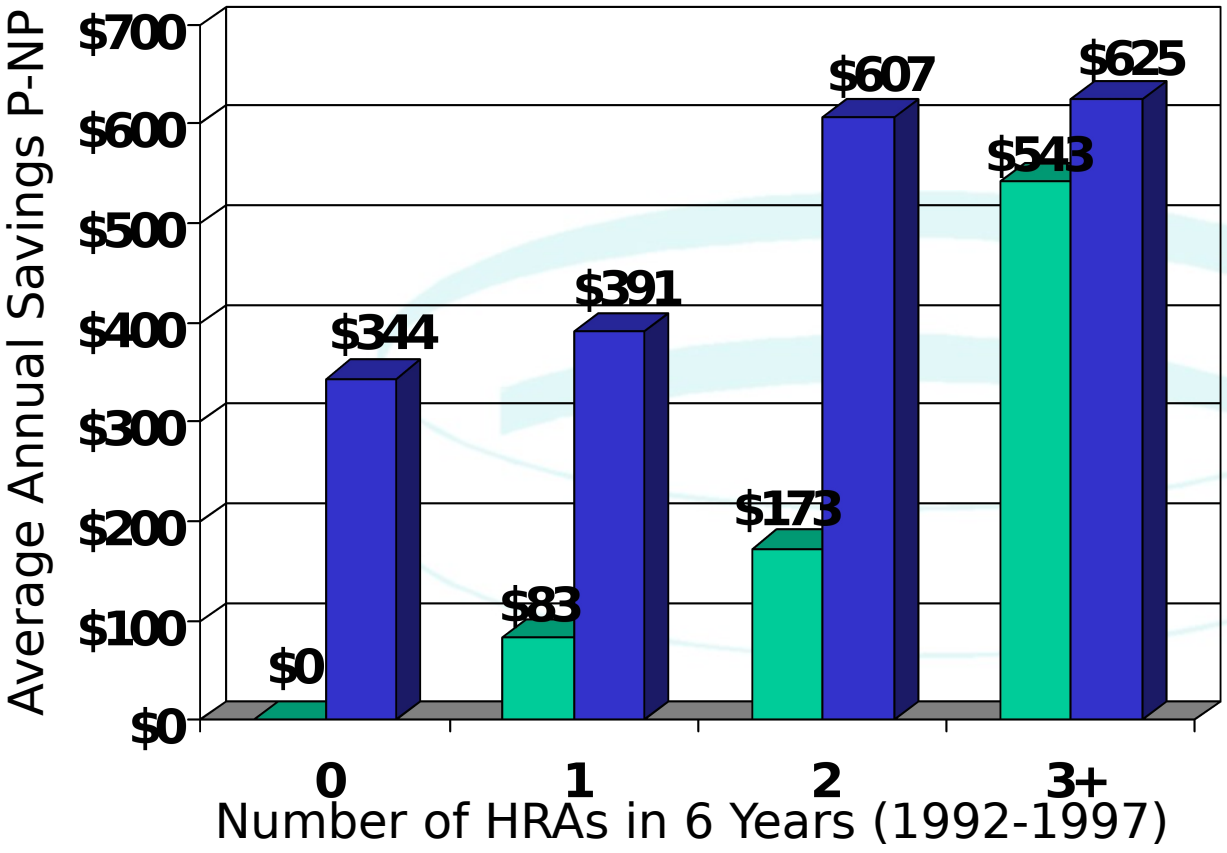
Very Important Study



P = 13,048

NP = 13,363

Controlled for:
- Age
- Gender
- Bargaining status
- Plan type
- Site
- Baseline claims

Source: Serxner, et.al., The Relationship Between Health promotion Program Participation and Medical Costs: A Dose Response, JOEM, 45(11), November, 1196-1200

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Mantra One....

“Health risks drive health costs”

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Mantra Two…

“It seems to work in all size organizations”

Size of Study Group	Number of Studies
1-200	5
201-500	4
501-1,000	7
1,001-5,000	22
5,001-10,000	6
10,000+	7

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Mantra Three….

“All studies document positive effects”

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Mantra Four…

“What other options do you have?”

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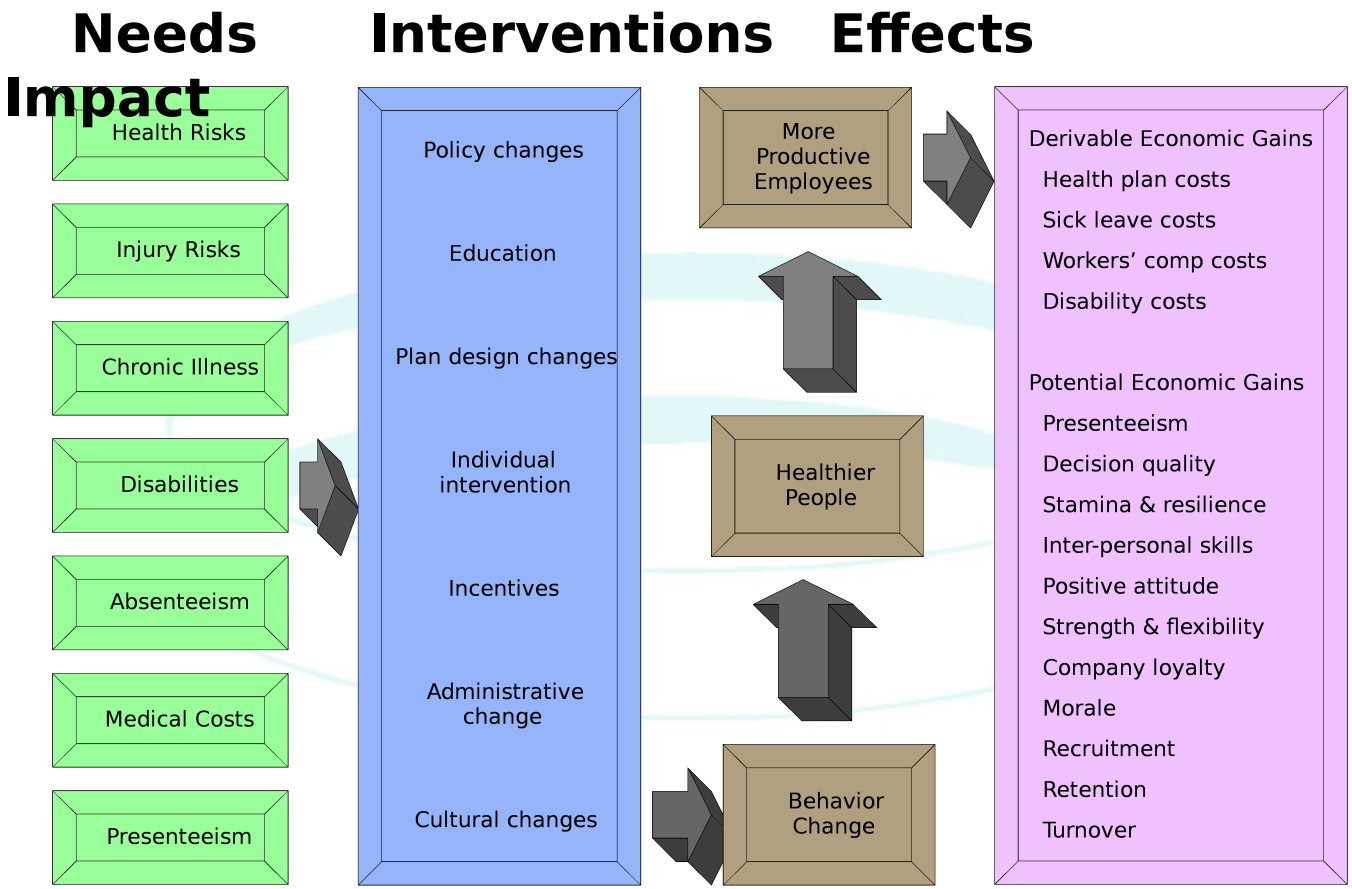
Implications for Program Design



Source: The Platinum Book, IHPM, 2004.

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Additional Implications

- **“The” Key is engagement - or participation**
- **Higher the participation level - the greater the ROI**
- **Greater the intensity of intervention - greater the ROI**
- **Works in any work setting – anywhere**
- **More HPM oriented - the higher the level of return**
- **HRA needs to be annual - and required**

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What Determines the ROI?

- Starting point
- Span of economic metrics
- Breadth and nature of prevention concerns addressed
- Use of proactive interventions
- Quality of incentives used
- Use of high participation programming strategies
- Use of many “touches”
- Degree of organizational “congruence”
- Quality of implementation
- Quality of measurement methods

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Strategies for Enhancing ROI

- **Individual interventions**
- **“Opt-out” approach**
- **HPM orientation**
- **Strong incentives**
- **Include spouses**
- **Annual HRA with follow-up**
- **Address mental health issues**
- **Link to well designed CDHPs**

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What Can Be Said....

- **Plenty of evidence of effectiveness**
- **Some studies better than others**
- **Virtually all positive**
- **Still need to design and implement carefully**
- **Works in all size organizations**
- **Few have brought best practices together**

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Summary of Key Points

- **There are a large number of economic return studies now in the literature**
- **They are of differing quality and rigor**
- **However, all of them document positive findings, but with different magnitude**
- **They have been conducted in a wide variety of industries and settings with varying size work groups**
- **The more rigorous the evaluation effort the greater the economic return**
- **The higher the participation levels the greater the economic return**
- **Studies are now being reported in other developed nations that parallel US study findings**
- **There are a number of factors that will enhance the economic return from these types of programs**
- **We should feel very good about the economic return data that is now available**

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Questions?

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Mar 4	**Understanding The Relationship of Health Risks to Health Costs: Keeping the Dollars Straight**
April 8	**Risk Stratification Strategies for Working Populations: Aligning Incentives with Your Interventions**

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Thanks for Your Participation

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